Reg. No. 1—M.

THE FORT ST. GEORGE GAZETTE.

EXTRAORDINARY

Published by Authority.

No. 6.) MADRAS, THURSDAY, MARCH 20, 1924. [Price, 6 as.

Part IV.—Proceedings of the Madras Legislature.

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Bill to be introduced in the Council of the Governor of Fort St. George for the purpose of making Laws and Regulations

Under rule 16 of the Madras Legislative Council Rules, the following Bill, together with the Statement of Objects and Reasons, is published for general information:—

BILL No. 6 OF 1924

A Bill to regulate the assessment and the revision of the assessment of the land revenue in the Presidency of Madras.

WHEREAS it is expedient that the processes of assessing and of revising the assessment of the land revenue in the Presidency of Madras should be placed upon a statutory basis, and WHEREAS the previous sanction of the Governor-General has been obtained to the passing of this Act; It is hereby enacted as follows:—

CHAPTER I

Preliminary

1. (1) This Act may be called the Madras Land Revenue Settlement Act, 1924.

(2) It extends to the whole of the Presidency of Madras outside the tracts in which the Madras City Land Revenue Act, XII of 1851, and the Central Provinces Land Revenue Act, XVIII of 1881, are applicable.

(3) It shall come into force at once.

2. In this Act, unless there is something repugnant in the subject or context—

(1) 'Holding' means a parcel or parcels of Government land measured as a survey field or fields or subdivisions of a survey field held by one or more individuals under a single patta.

(2) 'Pattadar' means and includes the holder or occupier of any land not included in an estate as defined in the Madras Proprietary Estates' Village

Service Act, 1924, or in a temporarily settled zamindari, and not held under an inam title-deed in a Government village who is registered as the holder of Government land in the village accounts or recognized as such by the Settlement Officer.

3. (1) All Government land is liable to the payment of land revenue to the Government except to the extent to which such land has been or may be partially or wholly exempted from such liability by special grant of or contract with the Government or by the provisions of any law for the time being in force or by orders of the Government and for so long as such exemption lasts.

(2) (*a*) Land revenue shall be assessed with reference to the user of the land

(1) for agricultural purposes,
(2) for non agricultural purposes.

(*b*) When land assessed with respect to its usage for agricultural purposes is used for non agricultural purposes it shall forthwith become liable to a non-agricultural assessment:

Provided that the erection on land assessed for agricultural purposes of buildings required for the convenient or profitable use or occupation of such land for agricultural purposes shall not be deemed to be a user for a non-agricultural purpose.

Provided also that notwithstanding anything contained in section 3 (1) land revenue shall be assessable on all village-site lands at the disposal of the Government at the time of the coming into force of this Act with reference to their user either for agricultural or non-agricultural purposes.

(3) Pattadars are responsible to the Government for the land revenue for the time being assessed on lands held or occupied by them and all persons succeeding thereto or acquiring rights as pattadars in respect thereof shall be responsible for all arrears of revenue due at the time of such succession or acquisition.

4. (1) The Local Government may by notification appoint any person either by name or by virtue of his office to be a Settlement Officer for all or any of the purposes of this Act.

(2) Subject to the control of the Local Government, every person so appointed shall exercise and perform the powers and duties of a Settlement Officer within such local limits and for such periods of time as the Local Government may direct.

(3) The Local Government may delegate its powers under sub-sections (1) and (2) to the Board of Revenue.

CHAPTER II

Initial Settlements

5. The Local Government may by notification direct the settlement of the rates at which land revenue shall be paid in any tract.

6. When a settlement has been directed under section 5, the Settlement Officer shall publish a notification inviting representations on the subject from the pattadars of the tract.

7. The Settlement Officer shall consider such representations as may be received by him in pursuance of the notification under section 6 and shall frame a scheme for the settlement of the tract.

8. Subject to such rules as may be prescribed by the Local Government in this behalf, the Settlement Officer shall base his scheme for the assessment of lands in the tract used for agricultural purposes on the following factors:—

(*a*) the principal food-grains cultivated;

(*b*) the various classes and sorts of soils;

(*c*) the facilities for irrigation;

(*d*) the estimated outturn of the staple grains on the various classes and sorts of soils, as ascertained by experiment and enquiry;

(*e*) the average prices of the staple grains in the pattadars' selling months during a period of twenty years immediately preceding the settlement other than the years which the Local Government may notify to be or to have been famine years in respect of the tract under settlement; and

(*f*) the ordinary expenses of cultivation computed on the basis of an average for the same period of years.

The Settlement Officer shall also take into consideration—

(i) the local vicissitudes of season;

(ii) the value of the land as shown by leases and sale-deeds;

(iii) the means of communication and any unusual unhealthiness, and

(iv) the economic condition of the tract.

9. Subject to such rules as may be prescribed by the Local Government in this behalf, the Settlement Officer shall base his scheme for the assessment of lands used for non-agricultural purposes in the tract on non-agricultural estimated rentals.

10. (a) The acreage rate of assessment on lands used for agricultural purposes on any class or sort of soil shall not exceed one-half of the value of the net produce of an acre of such class or sort of soil, as estimated by the Settlement Officer

(b) The additional value which may have been imparted to the land by improvements effected at the cost of the pattadar shall not be taken into consideration in fixing the assessment thereon.

11. When the Settlement Officer has prepared a scheme as provided above, he shall submit it to the Local Government through the Collector of the district and the Board of Revenue and shall publish the scheme in such manner as may be prescribed in this behalf.

12. The Local Government shall lay the scheme on the table of the Legislative Council for a period of not less than two months when the Council is in session.

13. The Local Government, after considering the remarks of the Collector and the Board of Revenue and the recommendations of the Legislative Council and such other public criticisms as may be made on the scheme framed by the Settlement Officer, shall pass such orders on the scheme as they may think fit.

14. The Local Government may empower the Settlement Officer—

(a) to effect changes in the registration of holdings at the time of settlement;

(b) to carry out such survey operations as may be required for the purposes of settlement and revision of registry.

15. When the Local Government has passed orders on the scheme under section 13, the Settlement Officer shall publish a notification embodying the main principles of the settlement as finally decided by Government, and shall then proceed to introduce the settlement.

16. (1) When an order has been passed by the Local Government under section 14 (a), the Settlement Officer shall include in the notification published under section 15 a notice inviting all persons who have an interest in a holding, who may wish to question the correctness of the registration thereof, to attend either in person or by a duly constituted agent before himself or any of his duly authorized subordinates at a specified place and time for the purpose of giving information in respect of such holding and the registration thereof.

(2) A general notification published in a village or other specified area under sub-section 1 shall be held to be a valid notice to every person having any interest in the holdings situated in such village or such specified area.

(3) The procedure of the Settlement Officer and his subordinates in introducing the settlement and in the revision of registration shall be in accordance with such rules as may be laid down by the Local Government in this behalf.

During the introduction of the settlement, the Settlement Officer may order the conversion of dry land into wet and wet land into dry.

(4) The survey and demarcation incidental to a settlement or to a revision of the registration of holdings shall be conducted in accordance with the provisions of the Madras Survey and Boundaries Act of 1923, or in such other manner as may be laid down by rules framed by or under the orders of the Local Government, and the cost of such survey or demarcation shall be payable by the parties concerned in accordance with such orders as may be passed by the Settlement Officer and be recoverable as an arrear of land revenue.

(5) A notice showing for each field or subdivision of a field such particulars as may be specified in the rules prescribed by the local Government in this behalf shall be issued to the pattadar concerned. The notice shall also indicate the time and place at which objections to an entry therein or omission therefrom or to any survey or demarcation made under the provisions of this Act shall be heard. The Settlement Officer shall inquire into such objections, and at any stage of the inquiry may, after directing such subdivision or survey as he may deem necessary, pass orders on such objections. The orders passed by the Settlement Officer on any objections passed under this section shall be in writing and shall contain the reasons for such order. The purport of the order shall be communicated forthwith to the pattadar if he is present and a copy thereof shall be furnished to him on his application and at his cost.

(6) The Settlement Officer shall then prepare a settlement register showing the names of the pattadars and the area and assessment of each survey field or subdivision in such form and with such particulars as may be prescribed by rules prescribed by the Local Government in this behalf.

The changes in registration made under the provisions of sub-sections (3) and (5) shall be incorporated in the settlement register.

17. (1) An appeal shall lie from the orders of the Settlement Officer under section 16 (5) except in the case of orders relating to registration to the Board of Revenue whose decision shall be final subject to the provisions of section 18. Any modification of the Settlement Officer's decision consequent on the decision of the appeal to the Board of Revenue or on a revision by the Local Government shall be noted in the register prepared under section 16.

(2) An appeal under sub-section (1) shall be liable to be rejected unless filed within two months from the date of the communication of the order of the Settlement Officer under section 16 (5).

Provided that the Board of Revenue may admit an appeal after the expiry of the said period on its being satisfied that the appellant had good and sufficient cause for not preferring the appeal within such period.

(3) The Board of Revenue may, on application made to it in this behalf or of its own motion, direct the revision of any entry in the settlement register prepared under section 16. Such revision shall not be made so as to affect the rights of any pattadar unless and until he has been given a reasonable opportunity to appear personally or by duly constituted agent and to put forward his contentions, if any, before the Board.

(4) Any Settlement Officer, subject to rules made by the Local Government in this behalf, may on an application made to him or of his own motion, correct any mistake or inaccuracy in any settlement register prepared under section 16 but not so as to affect any orders passed under sections 16 and 17, provided always that where such correction affects the right of a pattadar, it shall not be made until after reasonable opportunity has been given to him to appear personally or by duly authorized agent and be heard in the matter.

18. It shall be competent for the Local Government to revise an order passed by the Settlement Officer or the Board of Revenue in connexion with the settlement of any land.

19. Where as the result of the settlement, the assessment on any individual holding exceeds the amount of the previous payment in respect of such holding by more than 25 per cent, such excess shall, subject to such rules as may be framed by the Local Government, be spread over a series of years so that no increase after the initial one may represent more than 12½ per cent on the said payment.

20. The term of a settlement introduced under this Act in pursuance of the aforesaid provisions shall ordinarily be thirty years, but the Local Government may, with the previous concurrence of the Legislative Council, prescribe a longer or shorter term.

Provided that no term exceeding 35 years shall be prescribed in any case without the previous sanction of the Governor-General in Council.

CHAPTER III

Re-settlements

21. The Local Government may by notification direct the revision of assessments which have already been settled either under this Act or otherwise.

22. (1) In preparing a scheme for the revision of assessments on land used for agricultural purposes under section 21, the Settlement Officer shall not ordinarily frame a new scheme of settlement but shall propose percentage variations of the immediately previous rates. Such variations shall, subject to such rules as the Local Government may frame in this behalf, be based upon:

(*a*) Increases or decreases in the recorded prices of the staple grains of the tract. For this purpose the commutation rates adopted for the staple grains at the expiring settlement shall be compared with the rates deduced for the same grains from the average of their recorded prices during 20 years immediately preceding the commencement of re-settlement other than the years which the Local Government may notify to be or to have been famine years in respect of the tract under re-settlement after making an appropriate deduction for cartage and merchants' profits. The Settlement Officer shall also make allowances for increased cost of living and of the ordinary expenses of cultivation,

(*b*) a comparison of the sale and lease values of land at the time of the settlement and re-settlement respectively,

(*c*) improvements in the means of communication subsequent to the previous settlement,

(*d*) increase or decrease of population,

(*e*) extension or contraction of cultivation,

(*f*) increase or decrease in area under the more valuable crops,

(g) the economic position of holders of agricultural lands in the tract subsequent to the previous settlement, and

(h) the extent to which it has been necessary to resort to coercive measures in the collection of land revenue and the general character of recent seasons.

Provided that where the variation consists in a percentage enhancement of the immediately previous rates such enhancement shall not exceed 18¾ per cent.

(2) Subject to such rules as may be prescribed by the Local Government in this behalf, the Settlement Officer shall base his scheme for the revision of assessment on land used for non-agricultural purposes on non-agricultural estimated rentals.

23. Except as otherwise provided, the provisions contained in sections 6, 7, 9, 11, 12, 13, 14, 15, 16, 17, 18 and 20 relating to initial settlements shall be applicable *mutatis mutandis* to re-settlements inclusive of the provision relating to the laying of proposals before the Legislative Council.

The provisions of sections 17 and 18 as to appeals to the Board of Revenue and as to the revisional powers of the Local Government shall also be applicable *mutatis mutandis* in the case of orders passed in the course of re-settlements provided however that where the re-settlement takes the form of a percentage enhancement of the previous rates of assessment without a revision of the soil classification, it shall not be open to an individual pattadar to prefer any objection to the revised rates of assessment.

24. The re-settlement of any tract directed under section 21 shall take effect from the year following that in which the previous settlement of the tract expires or from such later year as the Local Government may direct.

25. Notwithstanding anything contained in section 22, the Settlement Officer may, for special reasons to be mentioned in his scheme report, frame his proposals for re-settlement on the basis of a general re-classification of soils in the tract under re-settlement. He shall then be guided by all the factors specified in section 8.

26. (1) For the purpose of a re-settlement, the Settlement Officer with the sanction of the Local Government may, for special reasons, order a revision of the soil classification in the case of individual fields as well as a re-grouping of villages and the classification of irrigation sources which have been improved at the cost of the Government.

(2) An appeal shall lie to the Board of Revenue from such order of the Settlement Officer at the instance of any pattadar affected thereby and the provisions of section 17 shall apply *mutatis mutandis* to such appeal as well as the provisions of section 18 relating to the revision of orders by the Local Government.

CHAPTER IV

Miscellaneous

27. (a) For the purpose of any settlement, re-settlement, enquiry, survey, or other proceeding under this Act, the Settlement Officer or any of his subordinates shall have power to enter upon, inspect or demarcate any land.

(b) The Settlement Officer or the Board of Revenue to whom an appeal is preferred under sections 17, 23, 26 of this Act may, for the purpose of any inquiry, survey or other proceedings under this Act, summon and enforce the attendance of any person for giving evidence or for the production of documents or for the purpose of rendering assistance in the survey of any land in which such person has an interest, and the provisions contained in the Code of Civil Procedure in regard to the summoning and enforcing the attendance of witnesses shall apply so far as may be applicable.

28. The correctness of any entry in a settlement register prepared under section 16 or corrected under section 17 shall not be questioned in any court of law provided that any person who is dissatisfied with an entry in or omission from a settlement register which concerns the registration of his name, may institute a suit for the declaration of his right under Chapter VI of the Specific Relief Act; provided also that in any such suit or in any appeal therefrom in which an order or decree is passed *ex parte* against the Secretary of State for India in Council, the said Secretary of State for India in Council shall not be liable to costs.

29. (1) The Local Government may, from time to time after previous publication in the *Fort St. George Gazette*, make rules for the purpose of generally carrying out the objects of this Act.

(2) In particular and without prejudice to the generality of the foregoing powers, such rules may provide—

(a) for the collection and record of any information in respect of any land which has been or is about to be settled or resettled;

(*b*) prescribing and limiting the powers and duties of officers conducting proceedings under this Act and regulating their procedure;

(*c*) for the publication of all notifications and scheme reports issued or prepared under this Act and for the issue and service of all orders, communications and notices to be issued, communicated, given or served under this Act;

(*d*) prescribing the procedure preliminary to the determination of the rates of assessment in tracts under settlement or resettlement;

(*e*) for the preparation and issue of notices in tracts under settlement or resettlement and for the hearing of objections thereto;

(*f*) for the grant of increment remissions under section 19;

(*g*) for the grant of exemptions under section 3;

(*h*) for the ascertainment of any of the factors specified in section 8, including the appointment of a Committee or Committees to assist the Settlement Officer in such ascertainment;

(*i*) for the ascertainment of non-agricultural estimated rentals under sections 9 and 22;

(*j*) for the preparation of a settlement register under section 15;

(*k*) for the payment of the excess assessment in pursuance of section 19;

(*l*) for regulating the procedure of the Settlement Officer and his subordinates in inquiries under section (18) (3);

(*m*) for the survey and demarcation of holdings under section (18) (4);

(*n*) for taking action under section (17) (4).

(3) All such rules shall be laid on the table of the Legislative Council for a period of not less than two months while the Council is in session. The rules as finally approved by the Local Government shall be published in the *Fort St. George Gazette* and on such publication shall have the same effect as if enacted and contained in this Act.

30. No suit or other legal proceedings shall lie against any officer of Government for anything in good faith done or purporting to be done under this Act.

31. All existing settlements made, approved and confirmed under the authority of the Local Government shall be and are hereby declared to be in force and all appointments made, orders issued and steps taken for the purposes of any settlement or revision of assessment in progress at the time this Act comes into force shall, so far as the same are consistent with the provisions thereof, be deemed to have been respectively made, issued and taken under the said provisions.

STATEMENT OF OBJECTS AND REASONS.

In this Presidency the settlement and revision of assessment on ryotwari lands are regulated by executive rules. With the introduction of the Reforms the need for embodying in a statutory enactment the main principles on which the assessment of these lands is based has stood out more prominently than ever and in their report on the Government of India Bill, the Joint Select Committee recommended such legislation.

2. The Board of Revenue was accordingly requested to draw up a Bill. The Board submitted a tentative draft which has been examined by a mixed Committee of officials and non-officials appointed for the purpose. The present Bill has been prepared after a careful consideration of the provisions of the Board's Bill and the recommendations of the Committee.

3. In regard to assessment of lands used for agricultural purposes the Bill embodies only the existing principles which are set out in the settlement and re-settlement manuals. For example, the Government demand represents the commuted value of the Government's share of the surface cultivation. One-half of the value of the net produce is the maximum that can be taken as assessment (clause 10). The mode of determining this value is laid down in clause 8. Improvements effected at the cost of the ryots are excluded in making this determination (clause 10). Clause 19 provides for the grant of 'increment remission'. Revision of assessment is ordinarily made solely with reference to the increase or decrease in the average prices of the staple grains. The rates are not raised to the full measure of the rise in prices; sufficient margin is allowed for increased cost of living, cultivation expenses, etc. These matters are dealt with in clause 23. Thirty years is ordinarily the term for which settlement or re-settlement will remain in force (clause 20). The powers which settlement officers at present exercise in the registration of holdings, conversion of lands into wet or dry, etc., are provided in clauses 14 and 16. All the important principles relating to the determination of land revenue are inserted in the body of the Bill and matters of detail are relegated to rules.

4. Clauses 12 and 23 require that settlement and re-settlement schemes shall be laid on the table of the Legislative Council for two months during session. A similar provision in regard to rules is contained in clause 29. This will afford the Council an opportunity of discussing the proposals. Clauses 13 and 23 require that the views of the Council on a settlement or re-settlement scheme shall be considered before final orders are passed.

5. The present opportunity is taken to place on a statutory basis the assessment of lands used for non-agricultural purposes with reference to their non-agricultural rentals. This matter is dealt with in clauses 3 (2) (b), 9 and 23. In this Province house-sites in towns are granted subject to payment of ground-rent which is fixed in accordance with the principles laid down in Board's Standing Order No. 21. In villages, house-sites are by long usage granted to and held by the villagers free of assessment, but in the case of assignments made since 1930 the Government have by a provision in the patta reserved the right to charge ground-rent, should the village ever be declared a town.

6. Whatever justification may exist for continuing the old usage of free grants in respect of ancient house-sites in villages, there is no valid ground for extending this immunity to other lands. Government have accordingly directed the levy of assessment in recent cases in which they found it necessary to make systematic arrangements for the extension of house-sites in congested villages. The Bill accordingly reserves power to Government to levy non-agricultural assessment where land assessed with respect to its usage for agricultural purposes is used for non-agricultural purposes. Similar provisions exist in the Bombay Land Revenue Code and the Central Provinces Land Revenue Act, 1917.

7. The proportion which the non-agricultural assessment should bear to non-agricultural rentals will be governed by rules framed under the Bill. While reserving power to levy non-agricultural assessment on non-agricultural lands, it is not the intention to exercise this power in every isolated case. Provision is accordingly made in clause 3 (1) enabling Government to exempt any land from assessment where such a concession is called for.

20th March 1923. A. R. KNAPP.

(By order of His Excellency the Governor)

R. RAMACHANDRA RAO,
Secy. to Govt., Law (Legislative) Dept.

MADRAS : PRINTED AND PUBLISHED BY THE SUPERINTENDENT, GOVERNMENT PRESS.